

**MINUTES OF THE
TRANSPORTATION INTERIM COMMITTEE**

Wednesday, October 15, 2003 – 2:00 p.m. – Room 129 State Capitol

Members Present:

Sen. Dan R. Eastman, Senate Chair
Rep. Joseph G. Murray, House Chair
Sen. John W. Hickman
Sen. Sheldon Killpack
Sen. Ed P. Mayne
Rep. Calvin G. Bird
Rep. Don E. Bush
Rep. David Clark
Rep. Marda Dillree
Rep. John Dougall
Rep. James A. Dunnigan
Rep. James A. Ferrin
Rep. Neil A. Hansen
Rep. Todd E. Kiser
Rep. Rebecca Lockhart
Rep. Ty McCartney

Members Absent:

President Al Mansell
Rep. Brad King

Staff Present:

Mr. Benjamin N. Christensen, Policy Analyst
Ms. Shannon C. Halverson, Associate General Counsel
Ms. Wendy Bangerter, Legislative Secretary

Note: A list of others present and a copy of materials can be found at <http://www.le.utah.gov> or by contacting the committee secretary, Jennifer Markham, at 538-1032.

1. Committee Business

Chair Murray called the meeting to order at 2:20 p.m.

MOTION: Rep. Hansen moved to approve the minutes of September 17, 2003. The motion passed unanimously with Sen. Mayne, Rep. Clark, and Rep. McCartney absent for the vote.

2. Annual DUI (Driving Under the Influence) Report to the Legislature

Ms. Susan V. Burke, Commission on Criminal and Juvenile Justice, and Anna Kay Waddoups, Chair, USAAV (Utah Substance Abuse Anti-Violence DUI Committee), distributed and reviewed "First Annual DUI Report to the Utah Legislature." They also reviewed their recommendations.

3. Uninsured Motorist Database Program -- Update

Ms. Judy Hamaker-Mann and Jill Laws, Driver License Division, Department of Public Safety, explained the role and goals of the uninsured motorist database program. Ms. Hamaker explained the process InsureWrite uses to track insured and uninsured motorists. Ms. Laws explained the benefits of tracking all registered vehicles for compliance with insurance requirements.

Mr. Mike Sonntag, American Insurance Assn., noted that there are many uninsured motorists whose vehicles are not registered in Utah, skewing the statistics of uninsured motorists located in the state.

4. Annual State Highway System Changes

Ms. Linda Hull, Utah Department of Transportation, distributed a map and referred to the legislation "State Highway System Changes" that had been mailed to the Committee members prior to the meeting. She reviewed the recommended changes to transfer a six-tenths of a mile section of SR 74 to Alpine City and a section of SR 308 to Kane County. She also reviewed the request to renumber SR 666 to the national number 491 to be consistent with New Mexico and Colorado.

Mr. Christensen noted that line 64 of the legislation should be shown as deleted.

MOTION: Rep. Dillree moved to delete line 64 and to adopt "State Highway System Changes" as a Committee bill. The motion passed unanimously with Sen. Hickman, Rep. Clark, and Rep. Dunnigan absent for the vote.

5. Fuel Taxes for Alternately Fueled Vehicles (draft legislation)

Rep. Murray read the agenda brief regarding the draft legislation "Fuel Tax Provisions for Clean Fuel Vehicles." He reminded the Committee that fuel taxes pay for the building and maintenance of Utah's roads.

Mr. Barry Conover, Deputy Director, Utah State Tax Commission, explained the difficulties of enforcing the current certificate plan since the Vehicle Identification Number are not accurate in identifying those vehicles using clean fuel.

Ms. Beverly Miller, Director of Salt Lake Clean Cities, spoke in opposition to the draft legislation as it would eliminate the incentive to install clean fuel equipment on vehicles. She proposed that the Legislature give their program a year to find the missing vehicles that are running clean fuel and not paying for the certificate.

Mr. Lee Peacock, President of Utah Petroleum Association, spoke in favor of the bill. He feels the motor fuel tax rate should be the same as with any other gas and that incentives could be offered through income tax or some other means.

Mr. Jack Elizondo, Questar Gas, spoke in opposition to the legislation because it is seen as a shifting of the responsibility of tax collection from a governmental entity to the retail level.

Mr. Brian Bremner, Garfield County Engineer, spoke in favor of clean fuel using vehicles, but stated it is more than an issue of tax fairness. He encouraged the Legislature to remember the roads will have to be built using fuel taxes collected.

Ms. Robin Erickson, Newspaper Agency, stated that in 1994, they ran approximately six million miles delivering newspapers to their carriers. She explained that the highest amount they have saved by using clean fuel in one year was \$328,000; however, she said they are paying more for their vehicles, which is an offset of some of the tax savings. She said they currently run approximately 222 vehicles. She spoke in opposition to the legislation.

Rep. Bush stated that he fully supports the idea of trying to collect the same amount of taxes currently being paid, but collect them differently than they are now in order to track all alternatively fueled vehicles. He also spoke in favor of making efforts to increase the number of clean fuel vehicles in the state.

Mr. Tom Clark, Utah Propane Gas Association, stated that some retailers will not fuel a clean fuel vehicle because they do not want to collect the tax. He does not feel the taxes would be collected.

Chair Murray stated that this issue would be revisited in the future.

6. Other Items / Adjourn

MOTION: Rep. Bird moved to adjourn the meeting. The motion passed unanimously with Sen. Hickman, Sen. Eastman, Rep. Clark, and Rep. Dillree absent for the vote.

Chair Murray adjourned the meeting at 4:20 p.m.